

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
MAG REGIONAL COUNCIL EXECUTIVE COMMITTEE

January 27, 2017
MAG Offices, Ironwood Room
302 N. 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor Greg Stanton, Phoenix, Chair	*Mayor Mark Mitchell, Tempe
Mayor Jackie Meck, Buckeye, Vice Chair	Mayor Lana Mook, El Mirage
Mayor Gail Barney, Queen Creek, Treasurer	Mayor Jerry Weiers, Glendale
Mayor W.J. “Jim” Lane, Scottsdale, Past Chair	

* Not present

Participated by video or telephone conference call

1. Call to Order

The Executive Committee meeting was called to order by Chair Stanton at 12:02 p.m.

2. Pledge of Allegiance

3. Call to the Audience

Chair Stanton stated according to the MAG public comment process, members of the audience who wish to speak are requested to fill out public comment cards. He stated that there is a three-minute time limit. Public comment is provided at the beginning of the meeting for items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only. Chair Stanton noted no public comment cards had been received.

4. Approval of Executive Committee Consent Agenda

Chair Stanton noted prior to action on the consent agenda, members of the audience are provided an opportunity to comment on consent items that are being presented for action. Following the comment period, committee members may request that an item be removed from the consent agenda.

Chair Stanton requested a motion to approve the consent agenda. Mayor Weiers moved to approve consent items 4A and 4F. Mayor Barney seconded the motion and the motion carried unanimously.

4A. Approval of the November 14, 2016 Executive Committee Meeting Minutes

The Regional Council Executive Committee, by consent, approved the November 14, 2016, Executive Committee meeting minutes.

4B. FY 2017 MAG Regional Transportation Planning On-Call Consultant Services Program

The Regional Council Executive Committee, by consent, approved the selection of consultants for the FY 2017 MAG Regional Transportation Planning On-Call Consultant Services Program for a three-year period, and for an amount not to exceed \$400,000.

The fiscal year (FY) 2017 MAG Unified Planning Work Program and Annual Budget, amended by the MAG Regional Council Executive Committee in August 2016, includes \$400,000 to conduct the MAG Regional Transportation Plan On-Call. The purpose of a Regional Transportation Plan On-Call program is for expediting the delivery of consultant services at MAG. Qualified consultants were sought to assist staff in the following six services areas: (A) Civil Engineering, (B) Transportation Planning, (C) Transportation Operations, (D) Policy and Finance, (E) Public Involvement, and (F) Economic Development. A Request for Statements of Qualifications was issued on September 26, 2016, and 32 Statements of Qualifications were received. An internal team of MAG staff reviewed the Statements of Qualifications and on December 13, 2016, recommended to MAG the selection of 17 consultants for participation in the MAG Regional Transportation Plan On-Call. This item was recommended for approval by the MAG Management Committee on January 11, 2017.

4C. Consultant Selection for the City of Buckeye ITS Strategic Plan

The Regional Council Executive Committee, by consent, approved the selection of Kimley-Horn and Associates for developing the City of Buckeye ITS Strategic Plan.

The Fiscal Year (FY) 2016 MAG Unified Planning Work Program and Annual Budget includes funding for \$100,000, including \$10,000 provided by the City of Buckeye, for the Intelligent Transportation Systems (ITS) Strategic Plan for the City of Buckeye. On October 5, 2016, MAG announced the Request for Proposals for the FY 2016 ITS Strategic Plan for the City of Buckeye project to four consultant firms on the ITS and Transportation Safety On-Call Services under the Planning Area of Expertise. On October 19, 2016, the proposals were evaluated by a multi-agency review panel. The review panel recommended to MAG the selection of Kimley-Horn and Associates for developing the City of Buckeye ITS Strategic Plan. The selection of Kimley-Horn and Associates was recommended for approval by the MAG ITS Committee on November 9, 2016 and Management Committee on January 11, 2017.

4D. Appointment of a MAG Economic Development Committee Member Agency Position

The Regional Council Executive Committee, by consent, recommended to approve the appointment of Supervisor Bill Gates as the Maricopa County representative on the Economic Development Committee (EDC).

On May 27, 2015, the MAG Regional Council approved increasing the composition of the

Economic Development Committee (EDC) to include twenty MAG member agency positions that have one-year terms with possible reappointment by recommendation of the Executive Committee and approval of the MAG Regional Council. These member agency positions include Maricopa County.

On January 9, 2017, a letter was received from the Maricopa County Board of Supervisors recommending Supervisor Bill Gates serve as the representative on the EDC. The Executive Committee is requested to recommend Supervisor Bill Gates as the Maricopa County Board of Supervisors EDC member. It is anticipated that the Regional Council will approve this recommendation at its February 22, 2017 meeting.

4E. Status Update on the June 30, 2016 Single Audit and Management Letter Comments, MAG's Comprehensive Annual Financial Report and Single Audit Reports for the Fiscal Year Ended June 30, 2016

This item was approved at the January 25, 2017 Regional Council meeting. It was on the Regional Council Executive Committee agenda for information and discussion. The Regional Council Executive Committee did not discuss this item further.

The accounting firm of CliftonLarsonAllen LLP has completed the audit of MAG's Comprehensive Annual Financial Report (CAFR) and Single Audit for the fiscal year ended June 30, 2016. An unqualified audit opinion was issued on December 8, 2016, on the financial statements of governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information. The independent auditors' report on compliance with the requirements applicable to major federal award programs, expressed an unqualified opinion on the Single Audit. The Single Audit report indicated there were no reportable conditions in MAG's internal control over financial reporting considered to be material weaknesses, no instances of noncompliance considered to be material and no questioned costs. The Single Audit report had no new findings. The CAFR financial statements and related footnotes were prepared in accordance with the Government Finance Officers Association's (GFOA) standards for the Certificate of Achievement for Excellence in Financial Reporting awards program. Management intends to submit the June 30, 2016, CAFR to the GFOA awards program for review. If awarded the certificate for the June 30, 2016, CAFR, this would be the agency's 19th consecutive award.

4F. Discussion of the Development of the FY 2018 MAG Unified Planning Work Program and Annual Budget

This item was approved at the January 25, 2017 Regional Council meeting. It was on the Regional Council Executive Committee agenda for information and discussion. The Regional Council Executive Committee did not discuss this item further.

Each year, the MAG Unified Planning Work Program and Annual Budget is developed in conjunction with member agency and public input. The Work Program is reviewed each year by the federal agencies in the spring and approved by the Regional Council in May. In

January, MAG provides the draft Dues and Assessments and the proposed budget production timeline. This provides an opportunity for early input into the development of the Work Program and Budget.

5. Update on Consultant Services for the Shopping and Tourism Initiative

MAG Government Relations Manager Nathan Pryor recalled that last year, the Capitol Strategies team, made up of former Congressman James Kolbe and Steven Bloch, were contracted by MAG to work on the Border Crossing Card (BCC) initiative which, if enacted, would expand the BCC zone for visitors from Mexico to the United States to the entire state of Arizona. In June and July 2016, two letters from a bipartisan majority of the Arizona congressional delegation were submitted to the U.S. Customs and Border Protection (CBP) requesting a rulemaking process to consider statewide expansion of the Border Crossing Card. Mr. Pryor noted that a University of Arizona study found that the BCC extension would provide Arizona with \$181 million in annual revenue. He said the contract with Capitol Strategies lapsed late last year after information from CBP indicated that with the end of the Obama Administration and the start of a new Congress and Presidential Administration approaching, any action on the initiative would be delayed. Mr. Pryor said a contract extension would focus on efforts to get in touch with new members of the Arizona Delegation as well as others to re-energize the initiative.

Mr. Bloch stated the Capitol Strategies team determined that the best way to expand the BCC zone was to have a Congressionally initiated rulemaking request. He reminded the committee that the BCC initiative had bipartisan delegation support with seven of the nine House members supporting the effort last year. Mr. Bloch said Arizona's two senators declined to sign on to the letters, but neither shut the door on future support.

Congressman Kolbe, who joined the meeting by teleconference, said there has been dramatic change taking place with U.S.-Mexico relations, which could affect this effort. He said this initiative may still have a chance at passing as it does not have to do with the war on terror, illegal immigration or trade, but rather commerce between the two countries. Congressman Kolbe noted that BCC holders are the most vetted group of Mexican citizens that visit the U.S. He said this initiative should be aligned with the goal of this Administration of putting an end to illegal immigration.

Congressman Kolbe said he was told by CBP in conversations last fall that chances of success are going to depend on the formation of a coalition with the other border states, including California, New Mexico and Texas. He stated that each of the border states currently have different BCC zones.

Mr. Bloch said Capitol Strategies intends to revisit the Arizona Delegation to engage the two new members and four of 11 members who did not sign on last year. He stated that after working to grow Arizona's delegation, the team would then turn to select members of the other state delegations and work with them to build the four-state coalition.

MAG Executive Director Dennis Smith said that MAG has structured the draft contract to allow for flexibility to determine if the initiative has a chance at passing. Mr. Bloch said the expectation is Capitol Strategies will be able to report back to the Executive Committee in 60 days on the progress of the initiative, and whether or not there is the political will and necessary broad-based support for it to be a success.

With no further comments or questions, Chair Stanton asked if any member of the Executive Committee wanted to make a motion on this item. Mayor Mook made a motion to extend the contract for Capitol Strategies for \$8,000 a month for up to six additional months. Mayor Meck seconded the motion and the motion passed unanimously.

6. Annual Performance Review of the MAG Executive Director

Chair Stanton asked if there was a motion to move into Executive Session to discuss the Annual Performance Review of the MAG Executive Director. Mayor Mook made a motion to move to Executive Session. Mayor Meck seconded the motion. The Executive Committee went into Executive Session at 12:16 p.m. and reconvened the regular meeting at 1:29 p.m.

7. Possible Action on the Annual Performance Review of the MAG Executive Director

After reconvening the regular meeting, Chair Stanton said that in the Executive Committee's opinion, Mr. Smith is the best executive director of any regional body in the state of Arizona.

Mayor Mook made a motion to continue Mr. Smith's compensation as is and to grant him an extra nine days of vacation time in addition to the 25 already provided for in previous contracts. Mayor Barney seconded the motion and the motion passed unanimously.

Mr. Smith requested the committee allow him to view a copy the survey and comments of his performance by Regional Council and Executive Committee members. Chair Stanton agreed to provide Mr. Smith with a copy of the comments.

8. Requests for Future Agenda Items

Chair Stanton asked if there were any requests for future agenda items. Mayor Lane indicated that the Executive Committee would like staff to bring back additional information regarding auditing of the contracting procedures at MAG, including the contract language. He also asked that staff inform the Executive Committee on having an audit done on these procedures.

9. Comments from the Committee

There were no comments from the committee.

Adjournment

There being no further business, the Executive Committee adjourned at 1:30 p.m.

Chair

Secretary